



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-909]

Certain Steel Nails from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2019-2020

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that certain companies made sales of subject merchandise at less than normal value. The period of review (POR) is August 1, 2019, to July 31, 2020. Interested parties are invited to comment on these preliminary results.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Joshua Simonidis, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0608.

SUPPLEMENTARY INFORMATION:

Background

On October 6, 2020, Commerce initiated an administrative review on the antidumping duty order on certain steel nails (nails) from the People's Republic of China (China) covering the period August 1, 2019, to July 31, 2020 with respect to 457 companies.¹ Based on the timely withdrawal of review requests, we rescinded the administrative review with respect to five

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 85 FR 63081 (October 6, 2020) (*Initiation Notice*).

companies pursuant to 19 CFR 351.213(d)(1) and (4).² Therefore, the results of this review cover the remaining 452 companies.

Scope of the Order

The products covered by the *Order* are nails from China. For a complete description of the scope, *see* the Preliminary Decision Memorandum.³

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(B) of the Tariff Act of 1930, as amended (the Act).

For a full description of the methodology underlying our conclusions, *see* the Preliminary Determination Memorandum. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <https://enforcement.trade.gov/frn/index.html>. A list of topics included in the Preliminary Decision Memorandum is provided as an appendix to this notice.

Preliminary Determination of No Shipments

Based on our analysis of U.S. Customs and Border Protection (CBP) information and information provided by a number of companies, we preliminarily determine that 21 companies

² The five companies for which the review was rescinded are: Oriental Cherry Hardware Group, Ltd.; Youngwoo Fasteners Co., Ltd.; China Staple Enterprise Co., Ltd.; Faithful Engineering Products Co., Ltd.; and Promising Way (Hong Kong) Ltd. *See Certain Steel Nails from the People's Republic of China: Partial Rescission of Antidumping Duty Administrative Review; 2019-2020*, 86 FR 7065 (January 26, 2021).

³ *See* Memorandum, "Decision Memorandum for the Preliminary Results of the Antidumping Duty Administrative Review: Certain Steel Nails from the People's Republic of China; 2019-2020," issued concurrently with and hereby adopted by this notice (Preliminary Decision Memorandum).

under review did not have any shipments of subject merchandise during the POR.⁴ For additional information regarding this determination, *see* the Preliminary Decision Memorandum.

Consistent with our practice, we are not rescinding this review with respect to these companies but, instead, intend to complete the review and issue appropriate instructions to CBP based on the final results of the review.⁵

China-Wide Entity

In accordance with Commerce's policy, the China-wide entity will not be under review unless a party specifically requests, or Commerce self-initiates, a review of the China-wide entity.⁶ Because no party requested a review of the China-wide entity in this review, the China-wide entity is not under review and the weighted-average dumping margin for the China-wide entity is not subject to change (*i.e.*, 118.04 percent).⁷

Preliminary Results of Review

Commerce finds that the two mandatory respondents, Qingdao D&L Group Ltd. (Qingdao D&L) and Shanghai Yueda Nails Industry Co., Ltd., a.k.a. Shanghai Yueda Nails Co. (Shanghai Yueda), have not established their eligibility for a separate rate and are to be considered part of the China-wide entity for these preliminary results. Furthermore, because 427 additional companies did not submit separate rate applications or certifications, or no-shipment certifications, we preliminarily determine they are ineligible for a separate rate as well and are

⁴ These companies are: Astrotech Steels Private Limited; Dezhou Hualude Hardware Products Co., Ltd.; Geekay Wires Limited; Hebei Minmetals Co., Ltd.; Mingguang Ruifeng Hardware Products Co., Ltd.; Nanjing Caiqing Hardware Co., Ltd.; Nanjing Yuechang Hardware Co., Ltd.; Region Industries Co., Ltd.; Region System Sdn. Bhd; Schenker China Ltd Chengdu Branch; Schenker China Ltd.; SDC International Aust. Pty. Ltd.; Shandong Qingyun Hongyi Hardware Products Co., Ltd.; Shanxi Hairui Trade Co., Ltd.; Shanxi Pioneer Hardware Industrial Co., Ltd.; Shanxi Yuci Broad Wire Products Co., Ltd.; S-Mart (Tianjin) Technology Development Co., Ltd.; Suntec Industries Co., Ltd.; Tianjin Jinchu Metal Products Co., Ltd.; Tianjin Jinghai County Hongli Industry & Business Co., Ltd.; and Xi'an Metals & Minerals Import & Export Co., Ltd.

⁵ *See Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694, 65694-95 (October 24, 2011) (*NME Assessment of Duties*).

⁶ *Id.*

⁷ The China-wide rate determined in the investigation was 118.04 percent. *See Notice of Antidumping Duty Order: Certain Steel Nails from the People's Republic of China*, 73 FR 44961 (August 1, 2008) (*Order*).

part of the China-wide entity. *See* Appendix I of the Preliminary Decision Memorandum for a full list of companies that are part of the China-wide entity.

The statute and Commerce’s regulations do not address what rate to apply to respondents not selected for individual examination when Commerce limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in an investigation, for guidance when calculating the rate for non-selected respondents that are not examined individually in an administrative review. Section 735(c)(5)(A) of the Act states that the all-others rate should be calculated by averaging the weighted-average dumping margins for individually-examined respondents, excluding rates that are zero, *de minimis*, or based entirely on facts available. Section 735(c)(5)(B) of the Act provides that, where all rates are zero, *de minimis*, or based entirely on facts available, Commerce may use “any reasonable method” for assigning a rate to non-examined respondents.

However, for these preliminary results, we have not calculated any individual rates or assigned a rate based on facts available. Therefore, consistent with our recent practice, we preliminarily determine to assign to the non-individually examined separate rate respondents the most recently assigned separate rate in this proceeding, which is from the previous administrative review.⁸ Using this method, we are preliminarily assigning a separate rate margin of 41.75 percent to the two non-individually examined companies, Shanghai Curvet Hardware Products Co., Ltd. and Tianjin Zhonglian Metals Ware Co., Ltd., that demonstrated their eligibility for a separate rate.

⁸ *See, e.g., Shenzhen Xinboda Industrial Co., Ltd., v. United States*, Court No. 15-00179, Slip Op. (CIT 2016); *see also Certain Steel Threaded Rod From the People’s Republic of China: Preliminary Results of the Antidumping Duty Administrative Review and Rescission of Antidumping Duty Administrative Review, in Part; 2015–2016*, 82 FR 21189, 21192 (May 5, 2017), unchanged in *Certain Steel Threaded Rod from the People’s Republic of China: Final Results of Antidumping Duty Administrative Review; 2015–2016*, 82 FR 51611 (November 7, 2017); and *Certain Frozen Fish Fillets from the Socialist Republic of Vietnam: Preliminary Results and Partial Rescission of the Antidumping Duty Administrative Review; 2014–2015*, 81 FR 64131, 64133 (September 19, 2016), unchanged in *Certain Frozen Fish Fillets From the Socialist Republic of Vietnam: Final Results and Partial Rescission of Antidumping Duty Administrative Review; 2014–2015*, 82 FR 15181 (March 27, 2017).

Commerce preliminarily determines that the following estimated weighted-average dumping margins exist for the period August 1, 2019, to July 31, 2020:

Exporter	Estimated Weighted-Average Dumping Margin (percent)
Shanghai Curvet Hardware Products Co., Ltd.	41.75
Tianjin Zhonglian Metals Ware Co., Ltd.	41.75

Disclosure and Public Comment

Interested parties may submit case briefs no later than 30 days after the date of publication of this notice.⁹ Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than seven days after the time limit for filing case briefs.¹⁰ Parties who submit case brief or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹¹ Case and rebuttal briefs should be filed using ACCESS.¹²

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, filed electronically via ACCESS within 30 days after the date of publication of this notice.¹³ Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held.¹⁴ An electronically-filed document must be received successfully in its entirety by ACCESS by 5:00 p.m. Eastern

⁹ See 19 CFR 351.309(c).

¹⁰ See 19 CFR 351.309(d); *see also* *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19*, 85 FR 17006 (March 26, 2020), and *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID 19: Extension of Effective Period*, 85 FR 41363 (July 10, 2020) (collectively, *Temporary Rule*).

¹¹ See 19 CFR 351.309(c)(2).

¹² See 19 CFR 351.303.

¹³ See 19 CFR 351.310(c).

¹⁴ See 19 CFR 351.310(d).

Time on the established deadline. Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.¹⁵

Unless otherwise extended, Commerce intends to issue the final results of this administrative review, which will include the results of its analysis of all issues raised in the case briefs, within 120 days of the publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(1).

Assessment Rates

Upon issuance of the final results of this review, Commerce will determine, and CBP shall assess, antidumping duties on all appropriate entries of subject merchandise covered by this review.¹⁶ If the preliminary results are unchanged for the final results, we will instruct CBP to apply an *ad valorem* assessment rate of 118.04 percent to all entries of subject merchandise during the POR which were exported by 429 companies, including Qingdao D&L and Shanghai Yueda, in the China-wide entity. If Commerce continues to make a no-shipment finding in the final results for the 21 companies referenced in the “Preliminary Determination of No Shipments” section above, any suspended entries of subject merchandise associated with those companies will also be liquidated at the China-wide rate. For the two companies receiving a separate rate, we intend to assign an assessment rate of 41.75 percent, consistent with the methodology described above.

Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

¹⁵ See 19 CFR 351.309; *see also* 19 CFR 351.303 (for general filing requirements); and *Temporary Rule*.

¹⁶ See 19 CFR 351.212(b)(1).

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for shipments of the subject merchandise from China entered, or withdrawn from warehouse, for consumption on or after the publication date of this notice, as provided by section 751(a)(2)(C) of the Act: (1) for the companies listed above that have a separate rate, the cash deposit rate will be that rate established in the final results of this review (except, if the rate is zero or *de minimis*, then a cash deposit rate of zero will be established for those companies); (2) for previously investigated or reviewed Chinese and non-Chinese exporters of subject merchandise not listed above that continue to be eligible for a separate rate based on a completed prior segment of this proceeding, the cash deposit rate will continue to be that existing cash deposit rate published for the most recently completed period; (3) for all Chinese exporters of subject merchandise that have not been found to be entitled to a separate rate, including Qingdao D&L and Shanghai Yueda, the cash deposit rate will be 118.04 percent, the weighted-average dumping margin for the China-wide entity from the less-than-fair-value investigation; and (4) for all non-Chinese exporters of subject merchandise which have not received their own separate rate, the cash deposit rate will be the rate applicable to the Chinese exporter that supplied that non-Chinese exporter. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of any antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the presumption that reimbursement of the antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

These preliminary results are issued and published in accordance with sections 751(a)(1) and 777(i)(l) of the Act, and 19 CFR 351.213(h)(1).

Dated: May 3, 2021.

Ryan Majerus,
Deputy Assistant Secretary for Policy and Negotiation.

Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Preliminary Determination of No Shipments
- V. Discussion of the Methodology
- VI. Recommendation

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